

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Approved By JLCB**

DEPARTMENT: Culture, Recreation & Tourism

AGENDA NO.: 1

AGENCY: Tourism

ANALYST: Stephanie C. Blanchard

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Administrative	\$0	0
Interagency Transfers:	\$0	Marketing	\$0	1
Self-Generated Revenue:	\$0	Welcome Centers	\$0	(1)
Statutory Dedications:	\$0			
Federal Funds:	\$0			
Total	<u>\$0</u>	Total	<u>\$0</u>	<u>0</u>

I. SUMMARY/COMMENTS

This is an after the fact BA-7 request.

The purpose of this BA-7 request is to transfer 1 position from the Welcome Centers Program to the Marketing Program within the Office of Tourism. The new position in the Marketing Program will be the Deputy Assistant Secretary and the eliminated position in the Welcome Centers Program is a Travel Information Assistance Regional Coordinator. The Deputy Assistant Secretary is currently filled and according to the agency will provide a more structured oversight of the advertising and publicity assets of the state, in order to maximize resources. No funds are being transferred with this BA-7 request, and the Marketing Program will absorb the cost of the salary and related benefits of the position (\$83,000) and the Welcome Centers Program will realize a savings in salaries and related benefits (\$42,000) that will be utilized for personal services.

II. IMPACT ON FUTURE FISCAL YEARS

This position will remain in the Marketing Program in future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

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DEPARTMENT: Health & Hospitals

AGENDA NO.: 2

AGENCY: Medical Vendor Payments

ANALYST: Shawn Hotstream

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Private Providers	\$0	0
Interagency Transfers:	\$0	Public Providers	\$0	0
Self-Generated Revenue:	\$0	Medicare Buy-Ins & Supplements	\$0	0
Statutory Dedications:	\$23,231,226	Uncompensated Care Costs	\$0	0
Federal Funds:	(\$23,231,226)	Recovery Funds	\$0	0
Total	<u>\$0</u>	Total	<u>\$0</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to adjust means of finance in Medical Vendor Payments to reflect an increase in Statutory Dedications and decrease a like amount of Federal funds. The original source of Statutory Dedications funding is revenue from the Medicaid Trust Fund for the Elderly (MTFE). The source of Federal funds is Title XIX federal financial participation. The increase in Statutory Dedications budget authority is proposed to be used for nursing home financing.

This BA-7 request will allow the department to utilize an alternative revenue source from the MTFE to offset a nursing home rate cut as a result of a change in the federal match rate during FY 13. Due to a reduction in the Disaster Recovery Federal Medical Assistance Percentage (FMAP) for LA Medicaid, the blended federal participation rate is reduced for FY 13 from 71.38% to 66.58%. Because the FY 13 Medical Vendor Payments budget is based on the prior rate (71.38%), the DHH has proposed total cuts of \$522 M (\$193 M in SGF) to partially offset a projected \$859 M budget shortfall. The DHH cuts include a \$23,231,226 reduction in SGF used as a state match source for nursing home payments.

Revenues in the MTFE are authorized under R.S. 46:2691 to be used for nursing home rates. Act 13 of 2013 includes \$97,871,479 in MTFE statutorily dedicated funding. Approval of this request would increase total MTFE funding to \$121.1 M for FY 13.

II. IMPACT ON FUTURE FISCAL YEARS

The impact of this BA-7 will reduce the MTFE fund balance by approximately \$23,231,226 in FY 13. For FY 13, the Treasury reflects a beginning fund balance in the MTFE of approximately \$519,512,564.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

**LEGISLATIVE FISCAL OFFICE
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DEPARTMENT: Environmental Quality

AGENDA NO.: 3

AGENCY: Environmental Compliance

ANALYST: Mary Kathryn Drago

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Environmental Compliance	\$500,000	0
Interagency Transfers:	\$0			
Self-Generated Revenue:	\$0			
Statutory Dedications:	\$500,000			
Federal Funds:	\$0			
Total	<u>\$500,000</u>	Total	<u>\$500,000</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to budget \$500,000 from the Environmental Trust Fund in the Department of Environmental Quality (DEQ). DEQ received \$500,000 from Pelican Refining Company, LLC per a Plea Agreement between the U. S. Attorney's Office for the Western District of LA, the U.S. Department of Justice's Environmental Crimes Section and Pelican Refining Company for violation of the Clean Air Act (Title 42, United States Code, Section 7413(c)(1)). This funding was deposited in the Environmental Trust Fund per the agreement.

The Plea Agreement requires the funds to be used exclusively for detection, response, testing, investigation, public notification, mitigation, remediation, leasing or acquiring specialized equipment and gear (SEG), staging or maintaining SEG, and training for spills, releases, emissions, or leaks of hazardous materials that constitute, or could foreseeably lead to air pollution in Southwest LA. The Office of Environmental Compliance will use the funds to improve the air pollution program in the Southwest LA region by replacing older monitoring equipment. DEQ will use the funds to purchase the following:

\$330,055	Air monitoring equipment for Lake Charles, Lafayette and Alexandria areas
\$40,945	Regional Staff Safety Equipment (ie. hard hats, safety goggles, reflective vests, first aid kits, etc)
\$65,000	Special Air Monitoring Equipment (AreaRae Monitors)
<u>\$64,000</u>	Emergency Response Vehicles (2)
<u>\$500,000</u>	TOTAL

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will have no impact on future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

August 14, 2012

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DEPARTMENT: Civil Service

AGENDA NO.: 4

AGENCY: State Civil Service

ANALYST: Evelyn McWilliams

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Administrative	(\$431,093)	0
Interagency Transfers:	\$0	Human Resources Management	\$431,093	0
Self-Generated Revenue:	\$0			
Statutory Dedications:	\$0			
Federal Funds:	\$0			
Total	<u>\$0</u>	Total	<u>\$0</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to realign existing budget authority between the Administrative Program and the Human Resources Management Program. The agency is requesting approval to reduce expenditures in the Administrative Program by \$431,093 and increase expenditures in the Human Resources Management Program by a like amount. The realignment is needed to enable the agency to properly provide for anticipated FY 13 retirement expenditures in the agency. During the legislative process, the agency's budget was amended to include \$611,786 of additional funding for retirement. All of the funding was inadvertently added to the Administrative Program. This BA-7 request seeks to properly align the funding between the agency's 2 programs (\$180,693 - Administrative Program and \$431,093 - Human Resources Management Program).

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will have no impact on future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.